

MARIA VALENTIN TORRES EXHIBIT K

CERTIFIED PUBLIC ACCOUNTANT

PO BOX 2963

CAROLINA P.R. 00984

Tel/Fax (787) 276-8123

ACCOUNTANT'S REPORT


To the Board of Directors
GW Construction Corp., Inc.
San Juan, P.R.

I have compiled the accompanying forecasted balance sheets, statements of income, retained earnings and cash flows of GW Construction Corp., Inc. as of December 31, 2010, the year then ending, in accordance with attestation standards established by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of forecast information that is the representation of management and does not include evaluation of the support for the assumptions underlying the forecast.

I have not examined the forecasts and, accordingly, do not express an opinion or any other form of assurance on the accompanying statements or assumptions. Furthermore, there will usually be differences between the forecasted and actual results because events and circumstances frequently do not occur as expected, and those differences may be material.

I have no responsibility to update this report for events and circumstances occurring after the date of this report.


Maria Valentin Torres
Certified Public Accountant
License No. 6300



*The stamp no.2557181 was
affixed to the original of this report.*

August 31, 2010
San Juan, Puerto Rico

GW CONSTRUCTION CORP., INC.

Financial Statements

June 30, 2010

Balance Sheet
June 30, 2010

	2009	2010
Assets		
Current assets:		
Cash	\$ 1,742	\$ 2,297
Accounts receivable	49,673	49,673
Income tax benefit	18,299	14,314
Total current assets	<u>69,714</u>	<u>66,284</u>
Property, Plant and Equipment (net of depreciation)	4,800	4,320
Total assets	<u>\$ 74,514</u>	<u>\$ 70,604</u>
Liabilities and Stockholder's Equity		
Current liabilities:		
Accounts payable – trade and other accrued liabilities	5,055	3,805
Credit line facility	37,793	37,793
Other liabilities	104,864	86,264
Total liabilities	<u>147,712</u>	<u>127,862</u>
Stockholder's equity:		
Retained earnings	(73,198)	(57,258)
Total stockholder's equity	<u>(73,198)</u>	<u>(57,258)</u>
Commitments and contingencies	—	—
Total liabilities and stockholder's equity	<u>\$ 74,514</u>	<u>\$ 70,604</u>

See accompanying notes to the financial statements.

GW CONSTRUCTION CORP.

Statements of Forcasted Income (Loss) and Retained Earnings

For the Six Months Period Ending June 30, 2010

	2010
Revenue:	
Construction services	\$ 182,872
Costs of Sales	
Construction costs	<u>86,727</u>
Total Costs of Sales	86,727
Gross Profit	96,145
General and administrative expenses	
Administrative	64,195
Bank charges	813
Interests	12
Professional services	8,817
Taxes, other than income	<u>2,383</u>
Total general and administrative expenses	76,220
Income before income taxes	19,925
Income tax benefit (expense)	<u>(3,985)</u>
Net income (loss)	15,940
Retained earnings, beginning of year	<u>(73,198)</u>
Retained earnings, end of year	<u>\$ (57,258)</u>

See accompanying notes to the financial statements.

GW CONSTRUCTION CORP.

Statements of Cash Flows

For the Six Months Period Ending June 30, 2010

	<u>2010</u>
Cash flows used in operating activities:	
Net income (loss)	15,940
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation	480
(Increase) decrease in assets:	
Income tax benefit	3,985
Increase (decrease) in liabilities:	
Accounts payable – accrued expenses	(1,250)
Other liabilities	(18,600)
Net cash provided by operating activities	<u>555</u>
Cash flows from investing activities:	
Acquisition of property and equipment	<u>—</u>
Net cash provided by (used in) investing activities	<u>—</u>
Cash flows used in financing activities:	
Common stocks	<u>—</u>
Net cash (used in) provided by financing activities	<u>—</u>
Net (decrease) increase in cash	555
Cash, beginning of period	<u>1,742</u>
Cash, end of period	<u><u>2,297</u></u>

See accompanying notes to forecasted financial statements.

GW CONSTRUCTION CORP, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2010

(1) Organization and Summary of Significant Accounting Policies

(a) *Description of Business*

GW Construction Corp., Inc. ("the Company") was duly organized on May 12, 2005 under the laws of the Commonwealth of Puerto Rico. The Company is engaged in the construction of small capital projects and property improvements for governmental entities and private clients.

(b) *Project Capitalization*

All projects are capitalized by the entity until the payment of the first certification is received. Due to the nature of the business, some projects can be capitalized by the client in advance as part of the agreements between the parties.

(c) *Revenue and cost recognition from project development*

Revenue is recognized as the work progress and the contract certification is delivered to the client. Also the percentage of completion for contracts in progress is applied as stated by the generally accepted accounting principles.

(d) *Cash Held in Escrow*

Cash held in escrow are those held until the start of the construction project. This cash could be used to make the initial construction materials purchases.

(e) *Inventories*

Inventories are stated at the lower of accumulated cost or market. Lot costing is on a relative sales value basis and varies for each phase of the project according to the sales price of the product.

(g) *Use of estimates*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts in the financial statements and accompanying notes. Although these estimates are based on management's knowledge of current events and actions it may undertake in the future, they may ultimately differ from actual results.

GW CONSTRUCTION CORP, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2010

(2) Organization and Summary of Significant Accounting Policies (continued)

(f) *Income Taxes*

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carry forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

(g) *Commitments and Contingencies*

Liabilities for loss contingencies arising from claims, assessments, litigation, fines, penalties, and other sources are recorded when it is probable that a liability has been incurred and the amount of the assessment and/or remediation can be reasonably estimated.

(3) Concentration of Credit Risk

Financial instruments which potentially subject the Company to concentration of credit risk consist principally of cash.

(4) Credit Line Facility

The company has an outstanding credit line facility balance of \$37,793 with RG Premier Bank. As of today a debt collection legal settlement freeze the principal and accrued interest amount in 37,793. The company expects to enter in payment plan with the financial institution soon.

(5) Income

As of the date of this financial statements, contracts in the amount of \$72,549 has been granted on a public bid process to the company and will be signed in a few weeks.

In addition, the company is bidding for few more projects that will be warrant the recurring operation of the company for the termination of this year and the next one.

(6) Payment to Officer

The company has paid to Mr. Efrain Rivera, principal officer of the institution the amount of \$10,645 as of to date. Payments are for the professional services rendered to the company.

GW CONSTRUCTION CORP, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2010

(7) Income Taxes

Income taxes are stated under the provisions of the 1994 Puerto Rico Internal Revenue Code, as amended in 2008, the Company is subject to regular or alternative minimum tax, and whichever is higher, on pretax income. Taxes on earnings in excess of the carry forward to be paid in the year incurred.

Deferred taxes arise primarily from differences between depreciation methods for income tax and financial reporting purposes.

The Company's income tax benefit (expense) for the years ending December 31, 2009 and 2010, consists of the following:

	<u>2009</u>	<u>2010</u>
Current income tax (expense) benefit	\$ 18,299	\$ (3,985)
Income tax benefit (expense)	<u>\$ 18,299</u>	<u>\$ (3,985)</u>
